

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

**SENATE BILL 820
RATIFIED BILL**

AN ACT TO CREATE NEW MOTOR VEHICLE TITLING AND REGISTRATION CATEGORIES FOR MOTOR VEHICLES CLASSIFIED AS REPLICA VEHICLES, STREET RODS, AND CUSTOM VEHICLES, AND TO MAKE CORRESPONDING CHANGES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-4.01(43) reads as rewritten:

"(43) ~~Specially Constructed Vehicles. – Vehicles of a type required to be registered hereunder not originally constructed under a distinctive name, make, model, or type by a generally recognized manufacturer of vehicles and not materially altered from their original construction.~~ Motor vehicles required to be registered under this Chapter and that fit within one of the following categories:

- a. Replica vehicle. – A vehicle, excluding motorcycles, that when assembled replicates an earlier year, make, and model vehicle.
- b. Street rod vehicle. – A vehicle, excluding motorcycles, manufactured prior to 1949 that has been materially altered or has a body constructed from nonoriginal materials.
- c. Custom-built vehicle. – A vehicle, including motorcycles, reconstructed or assembled by a nonmanufacturer from new or used parts that has an exterior that does not replicate or resemble any other manufactured vehicle. This category also includes any motorcycle that was originally sold unassembled and manufactured from a kit or that has been materially altered or that has a body constructed from nonoriginal materials."

SECTION 2. Part 3 of Article 3 of Chapter 20 of the General Statutes is amended by adding a new section to read:

"§ 20-53.1. Specially constructed vehicle certificate of title and registration.

(a) Specially constructed vehicles shall be titled in the following manner:

- (1) Replica vehicles shall be titled as the year, make, and model of the vehicle intended to be replicated. A label of "Replica" shall be applied to the title and registration card. All replica vehicle titles shall be labeled "Specially Constructed Vehicle."
- (2) The model year of a street rod vehicle shall continue to be recognized as the manufacturer's assigned model year. The manufacturer's name shall continue to be used as the make with a label of "Street Rod" applied to the title and registration card. All street rod vehicle titles shall be labeled "Specially Constructed Vehicle."
- (3) Custom-built vehicles shall be titled and registered showing the make as "Custom-built," and the year the vehicle was built shall be the vehicle model year. All custom-built vehicle titles shall be labeled "Specially Constructed Vehicle."

(b) Inoperable vehicles may be titled, but no registration may be issued until such time as the License and Theft Bureau inspects the vehicle to ensure it is substantially assembled. Once a vehicle has been verified as substantially assembled pursuant to an inspection by the License and Theft Bureau, the Commissioner shall title the vehicle by classifying it in the proper category and collecting all highway use taxes applicable to the value of the car at the time the vehicle is retitled to a proper classification, as described in this section.



(c) Motor vehicle certificates of title and registration cards issued pursuant to this section shall be labeled in accordance with this section. As used in this section, "labeled" means that the title and registration card shall contain a designation that discloses if the vehicle is classified as any of the following:

(1) Specially constructed vehicle.

(2) Inoperable vehicle."

SECTION 3. G.S. 20-70 is amended by adding a new subsection to read:

"(c) The notification and registration requirements contained in subsections (a) and (b) of this section regarding an engine change shall be required only if the motor vehicle into which a new engine is installed uses an engine number as the sole means to identify the vehicle."

SECTION 4. G.S. 20-4.01 is amended by adding a new subdivision to read:

"(15a) Inoperable Vehicle. – A motor vehicle that is substantially disassembled and for this reason is mechanically unfit or unsafe to be operated or moved upon a public street, highway, or public vehicular area."

SECTION 5. G.S. 20-53 reads as rewritten:

"§ 20-53. Application for specially constructed, reconstructed, or foreign vehicle.

(a) In the event the vehicle to be registered is a specially constructed, reconstructed, or foreign vehicle, such fact shall be stated in the application, and with reference to every foreign vehicle which has been registered outside of this State, the owner shall surrender to the Division all registration cards and cards, certificates of title or notarized copies of original titles on vehicles 35 model years old and older, or other evidence of such foreign registration as may be in his possession or under his control, except as provided in subsection (b) hereof. After initial review, the Division shall return to the owner any original titles presented on vehicles 35 model years old and older appropriately marked indicating that the title has been previously submitted.

(b) Where, in the course of interstate operation of a vehicle registered in another state, it is desirable to retain registration of said vehicle in such other state, such applicant need not surrender, but shall submit for inspection said evidence of such foreign registration, and the Division in its discretion, and upon a proper showing, shall register said vehicle in this State but shall not issue a certificate of title for such vehicle.

(c), (d) Repealed by Session Laws 1965, c. 734, s. 2.

(e) No title shall be issued to an initial applicant for (i) out-of-state vehicles that are 35 model years old or older or (ii) a specially constructed vehicle prior to the completion of a vehicle verification conducted by the License and Theft Bureau of the Division of Motor Vehicles. These verifications shall be conducted as soon as practical. For an out-of-state vehicle that is 35 model years old or older, this inspection shall consist of verifying the public vehicle identification number to ensure that it matches the vehicle and ownership documents. No covert vehicle identification numbers are to be examined on an out-of-state vehicle 35 model years or older unless the inspector develops probable cause to believe that the ownership documents or public vehicle identification number presented does not match the vehicle being examined. However, upon such application and the submission of any required documentation, the Division shall be authorized to register the vehicle pending the completion of the verification of the vehicle. The registration shall be valid for one year but shall not be renewed unless and until the vehicle examination has been completed.

(f) If a vehicle owner desires a vehicle title classification change, he or she may, upon proper application, be eligible for a reclassification."

SECTION 6. Part 3 of Article 3 of Chapter 20 of the General Statutes is amended by adding a new section to read:

"§ 20-53.3. Appeal of specially constructed vehicle classification determination to Vehicle Classification Review Committee.

(a) Any person aggrieved by the Division's determination of the appropriate vehicle classification for a specially constructed vehicle may request review of that determination by the Vehicle Classification Review Committee. This review shall be initiated by completing a Vehicle Classification Review Request and returning the request to the Division. The Vehicle Classification Review Request shall be made on a form provided by the Division. The decision of the Review Committee may be appealed to the Commissioner of Motor Vehicles.

(b) The Vehicle Classification Review Committee shall consist of five members as follows:

- (1) Two members shall be personnel of the License and Theft Bureau of the Division of Motor Vehicles appointed by the Commissioner.
- (2) One member shall be a member of the public with expertise in antique or specially constructed vehicles appointed by the Commissioner from a list of nominees provided by the Antique Automobile Club of America.
- (3) One member shall be a member of the public with expertise in antique or specially constructed vehicles appointed by the Commissioner from a list of nominees provided by the Specialty Equipment Market Association.
- (4) One member shall be a member of the public with expertise in antique or specially constructed vehicles appointed by the Commissioner from a list of nominees provided by the National Corvette Restorers Society.

(c) Members of the Vehicle Classification Review Committee shall serve staggered two-year terms. Initial appointments shall be made on or before October 1, 2009. The initial appointment of one of the members from the License and Theft Bureau and the member nominated by the Antique Automobile Club of America shall be for one year. The initial appointments of the remaining members shall be for two years. At the expiration of these initial terms, appointments shall be for two years. A member of the Committee may be removed at any time by unanimous vote of the remaining four members. Vacancies shall be filled in the manner set out in subsection (b) of this section."

SECTION 7. Sections 3 and 5 of this act are effective when this becomes law. The remainder of this act becomes effective October 1, 2009.

In the General Assembly read three times and ratified this the 28th day of July, 2009.

Walter H. Dalton
President of the Senate

Joe Hackney
Speaker of the House of Representatives

Beverly E. Perdue
Governor

Approved _____ .m. this _____ day of _____, 2009